



CONSTRUCTION Update

State Licensing Board For Contractors

From the Director

By: **Charles G. Marceaux**
Executive Director

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QUARTERLY REPORT

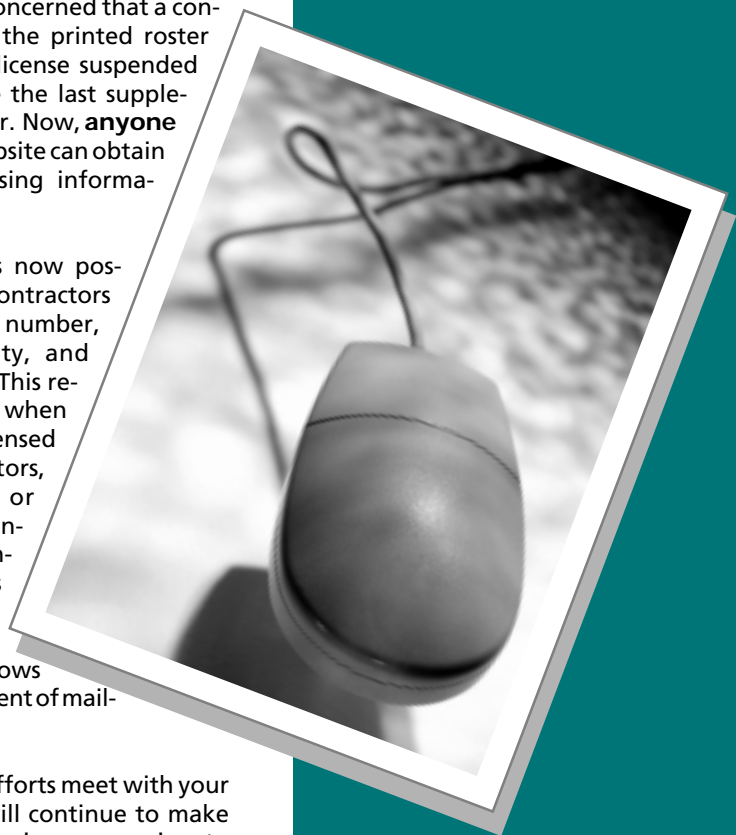
Contractor Licensing Board Reaches For E-Commerce

Meeting today's business needs always presents new opportunities for the management and staff of the Contractor Licensing Board. We are continuing to work diligently to improve the functioning of this agency in terms of operations and customer service. Since the State Licensing Board for Contractors relies exclusively on self-generated funds, it is incumbent on us to ensure that these funds are spent in a productive and responsible manner. A great deal of progress has been made during the past five years. The Board has supported our efforts in upgrading the computer system and in the establishment of the Board website at www.lslbc.state.la.us. What does this mean to you, our customer? By updating our computer system, we are able to provide faster, more efficient customer service. We live in a world where time IS money. Every effort is made within the confines of our legislative mandate to meet the needs of the contractors we serve. If you haven't visited our website, let me invite you to do so. There is a wealth of information available such as the entire text of our law, frequently asked questions, sample application forms, and licensing information which is updated every twelve hours. No longer do you, awarding authorities, or permitting offices have to call the

Board office to determine if someone is properly licensed. No longer does one have to be concerned that a contractor listed in the printed roster has had his/her license suspended or revoked since the last supplement to the roster. Now, **anyone** accessing the website can obtain up-to-date licensing information.

In addition, it is now possible to target contractors by name, license number, classification, city, and parish location. This resource is handy when searching for licensed general contractors, subcontractors, or specialty trade contractors. This information is available for download in a format which allows for the development of mailing lists.

I hope that our efforts meet with your approval. We will continue to make progress in improving our services to you. If my staff or I can ever be of assistance to you, please do not hesitate to contact us at www.lslbc.state.la.us.



CONSTRUCTION Update

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Contracts

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www.lslbc.state.la.us

Who holds the license?

Contractors regularly call the Board office advising that they have left their firms and want to "transfer" their licenses to their new employers. Staff routinely explain that, with the exception of an individual license, a license is held by the firm, not the individual who is the qualifying party. IF the contractor is eligible to be the qualifying party for the new employer (120 days of consecutive full-time employment), previous testing may be considered valid for the new company's license.

A number of contractors holding individual licenses have contacted the Board advising that they have been approached by firms wanting to "use" their licenses and it is surprising to note the number of contractors who state that they are unaware that this is a problem. Under LA R.S. 37:2158, Paragraph A(5), it is a clear violation of the Contractors' License Law to allow one's license to be used by another.

Such an action may result in the suspension or revocation of the license. A careful review of past issues of this newsletter will reveal numerous instances of contractors being brought before the Board for administrative hearings concerning this matter.

Another scenario which takes place is the case in which a firm assigns a small ownership in the company or enters into an employment contract with an individual who has previously tested with the Board in an attempt to circumvent LA R.S. 2156.1, Paragraph D.

If you hold an individual license as the owner of a sole proprietorship, you and only you as identified on the license certificate, may bid, contract, and perform work using that license. Don't be tempted to sell your license or your test scores or you may find yourself being subpoenaed to appear before the Board!

LICENSE VERIFICATIONS

If the number of license verifications completed and mailed by this Board is any indication, contractors seeking licenses out of state are at an all time high. Although the majority of these license verifications are sent to the boards of states with which this Board has formal reciprocity agreements (Alabama, Arkansas, Mississippi, North Carolina and Tennessee), a surprising number have been sent to western states such as Nevada, Utah, Oregon and Washington. It would have been unusual to complete two or three of these verifications a month five years ago. Today, it is not unusual for the Board to

complete three to five verifications a day!

While we make every effort to return the forms to you in the shortest amount of time, one of the biggest delays you will encounter is failure to submit the research fees for the forms. There is a fifty-dollar (\$50) research fee charged for each form you submit. If you fail to send in the research fee with the verification form, time is lost in sending a request for the fee. This lost time could make the difference in your meeting the requirements for deadlines in other states or not.

State Licensing Board Field Offices

New Orleans

Joseph Yenni Building
1221 Elmwood Park Blvd.
Suite 210
Harahan, Louisiana 70123
(504) 736-7125

Lake Charles

Bud Building
1225 Hodges Street
Lake Charles, Louisiana 70601
(337) 491-2241

Shreveport

Shreveport City Hall Annex
(Old State Office Building)
1237 Murphy Street - 2nd Floor
Shreveport, Louisiana 71101
(318) 676-7257

If We Mailed It, You Have Been Legally Notified

Board mail may be sent certified, return receipt requested. On some occasions, the mail is returned marked "refused" or "unclaimed" or is returned due to a wrong address. If an incorrect mailing address is the problem, efforts are made to call the contractor. Unfortunately, a new address often means a new telephone number. If a forwarding address is not provided by the post office, the Board is unable to resend the mail.

If the Board sends you mail – certified or regular – and you don't receive it because you moved and didn't notify the Board or you choose to not accept the mail because of what it may contain, you legally are considered to have been notified. If the mail concerned an administrative hearing to be held, the result may be that the hearing is held without an opportunity for you to present your side of the issue at hand. If the certified letter sent to advise you of the action of the Board at the administrative hearing also is not received by you, it is possible that your license may be suspended or revoked and/or your firm assessed a fine and you would not know it.

For most contractors, a contractor's license represents the means by which they support their families. Don't put your livelihood in jeopardy. If you change

address or telephone number, notify the Board immediately. Section

105 of the Rules and Regulations of the Board states in part that changes are to be reported in writing within 15 days after such change. If you receive certified mail from the Board, open it. It is better to know what is going on than to find out after it's too late!

Individual License Name Changes

It has come to the Board's attention that contractors operating as sole proprietorships may be bidding and performing work under names which do not accurately reflect the legally responsible license holder (e.g., a license in the name of "Smith's Siding" rather than in the name of John Smith, the owner of the sole proprietorship). This creates a situation in which companies are bidding or performing work in the name of what is, in actuality, a "d/b/a" or trade/assumed name. Since such a "d/b/a" is not a legal entity, the Board can no longer issue a license certificate in such a name. The license **must** be issued to *the individual who owns the sole proprietorship*.

As of this printing, all affected contractors should have received a letter advising that the records of the Board have been amended to reflect the legal names (the names of the owners) of the sole proprietorships. In those letters, contractors were advised that amended 2001 license certificates **would not** be issued. A copy of the letter from the Board

should be provided to permit offices for the remainder of this year.

As a result of the mailout, numerous contractors have contacted the Board to advise that the names that were previously listed on their sole proprietorship licenses actually represent legal entities such as corporations, partnerships, or LLCs. Contractors have been informed that such entities must be licensed in their own right. Before the licenses were amended, the corporations, partnerships, or LLCs were, in fact, using the licenses of the sole proprietorships.

A d/b/a may be used if it does not represent a legal entity. For example, John Smith d/b/a Smith's Siding is an acceptable way to bid, contract, or perform work **as long as** Smith's Siding is in fact a d/b/a and does not exist as a legal entity such as a corporation, partnership, or LLC. It would not be correct, however, to bid, contract, or perform in the name of Smith's Siding. The name of a d/b/a is not reflected on the license certificate.

Disciplinary Actions of State Licensing Board

June 2001

Commercial

KTBS-TV

Shreveport, Louisiana

Allegation: Acting as an Awarding Authority and entering into a contract with an unlicensed contractor to perform work in an amount in excess of \$50,000.

Action: Found guilty. Assessed all costs associated with the proceedings.

Enterprise Electronics Corporation

Enterprise, Alabama

Allegation: Acting as a contractor without possessing a license to perform work in the amount of \$50,000 or more.

Action: Found guilty. Assessed all costs associated with the proceedings.

Crossmark Construction, Inc.

Indianapolis, Indiana

Allegation: Acting as a contractor without possessing a license and using the license of another contractor to perform work in the amount of \$50,000 or more.

Action: Found guilty. Fined and assessed all costs associated with the proceedings.

Riddle Builders, Inc.

Monroe, Louisiana

Allegation: Allowing license to be used by an unlicensed contractor to perform work in an amount in excess of \$50,000.

Action: Found guilty. Fined, assessed all costs associated with the proceedings and license placed on probation for one (1) year.

Diversified Energy Contractors Company, L.L.C.

Sanford, Florida

Allegation: Failure to register a qualifying party.

Action: License suspended.

Lucent Technologies, Inc.

Warren, New Jersey

Allegation: Failure to register a qualifying party.

Action: Allowed thirty (30) days to register a qualifying party or license automatically suspended. Qualifying party replaced.

Hydrovac, Inc.

Lake Charles, Louisiana

Allegation: Failure to register a qualifying party.

Action: Allowed thirty (30) days to register a qualifying party or license automatically suspended. License suspended.

Philip Environmental Services Corporation

Cordova, Tennessee

Allegation: Failure to register a qualifying party for the classification of Heavy Construction.

Action: Classification of Heavy Construction removed from license.

Residential

Daniel Nava

Mandeville, Louisiana

Allegation: Constructing a residence in an amount in excess of \$50,000 without possessing a State residential license.

Action: Found guilty. Fined and assessed all costs associated with the proceedings.

Melvin Nichols

Boyce, Louisiana

Allegation: Constructing a residence in an amount in excess of \$50,000 without possessing a State residential license.

Action: Case dismissed.

Matcon Contractors, Inc.

Lake Providence, Louisiana

Allegation: Failure to maintain current general liability and worker's compensation insurance coverages.

Action: License suspended, fined and cease and desist order issued.

Ra-Matt Construction, L. L. C.

Baton Rouge, Louisiana

Allegation: Failure to maintain current worker's compensation insurance.

Action: License suspended, fined and cease and desist order issued.

Darryl Keith Thibodeaux

Jennings, Louisiana

Allegation: Failure to maintain current worker's compensation insurance.

Action: License voluntarily suspended.

Edwin Williams, Inc.

Harvey, Louisiana

Allegation: Failure to maintain current general liability and worker's compensation insurance coverages.

Action: License suspended, fined and cease and desist order issued.

July 2001

Commercial

A-B-C Siding Company of Morgan City, Inc.

Morgan City, Louisiana

Allegation: Allowing license to be used by an unlicensed contractor to perform work in an amount in excess of \$50,000.

Action: Found guilty. License placed on probation for one (1) year.

Century Contractors, Inc.

Matthews, North Carolina

Allegation: Failure to register a qualifying party.

Action: License revoked.

S. I. D. Corporation

Ridgeland, Mississippi

Allegation: Failure to register a qualifying party.

Action: Allowed thirty (30) days to register a qualifying party or license automatically suspended.

R.A. Cook, Inc.

Central Point, Oregon

Allegation: Failure to register a qualifying party.

Action: License suspended.

Corley Construction, Inc.

Many, Louisiana

Allegation: Failure to register a qualifying party.

Action: License suspended.

Baker/Mo Services, Inc.

Houston, Texas

Allegation: Failure to register a qualifying party.

Action: Allowed thirty (30) days to register a qualifying party. Qualifying party replaced.

Jack Armstrong, Inc.

Monroe, Louisiana

Allegation: Failure to register a qualifying party.

Action: License revoked.

M-I, L.L.C. d/b/a M-I Drilling Fluids, L.L.C.

Houston, Texas

Allegation: Failure to register a qualifying party.

Action: Allowed thirty (30) days to register a qualifying party or license automatically suspended. Qualifying party replaced.

S-C, Inc.

Gonzales, Louisiana

Allegation: Failure to register a qualifying party.

Action: Allowed thirty (30) days to register a qualifying party and provide proof of ownership or license automatically revoked.

August 2001

Commercial

Interior Fixture Installations, Inc.

Rowlett, Texas

Allegation: Acting as a contractor without possessing a license to perform work in the amount of \$50,000 or more.

Action: Found guilty. Fined and assessed all costs associated with the proceedings.

T-Stop Design/Build, L. L. C.

New Orleans, Louisiana

Allegation: Acting as a contractor without possessing a license to perform work in the amount of \$50,000 or more.

Action: Guilty plea. Fined and assessed all costs associated with the proceedings.

Continued on page 5

Disciplinary Actions of State Licensing Board

Owen Prestridge

New Orleans, Louisiana

Allegation: Entering into a subcontract with an unlicensed contractor and allowing license to be used by an unlicensed contractor to perform work in an amount in excess of \$50,000.

Action: Guilty plea. Fined and assessed all costs associated with the proceedings.

Southern Oak Construction Company, Inc.

Folsom, Louisiana

Allegation: Adjudged guilty of a felony with regard to misapplication of construction proceeds.

Action: Both residential and commercial licenses revoked.

Dew Construction

Tallulah, Louisiana

Allegation: Adjudged guilty of a felony with regard to fraud, bribery, and issuing worthless checks.

Action: Both residential and commercial licenses revoked.

Ingersoll-Rand Company

Woodcliff Lake, New Jersey

Allegation: Failure to register a qualifying party.

Action: Allowed sixty (60) days to register a qualifying party or license automatically revoked.

Costello Industries, Inc.

Newington, Connecticut

Allegation: Failure to register a qualifying party.

Action: Allowed thirty (30) days to register a qualifying party or license automatically revoked.

Residential

Tharpe Brothers Builders, Incorporated

Sibley, Louisiana

Allegation: Constructing multiple residences in amounts in excess of \$50,000 without possessing a State residential license.

Action: Found guilty. Fined, assessed all costs associated with the proceedings and cease and desist order issued.

Keith Ramsey

Ruston, Louisiana

Allegation: Constructing a residence in an amount in excess of \$50,000 without possessing a State residential license.

Action: Guilty plea. Fined and assessed all costs associated with the proceedings.

Smithco, L.L.C.

Oberlin, Louisiana

Allegation: Constructing multiple residences in amounts in excess of \$50,000 without possessing a State residential license.

Action: Found guilty. Fined, assessed all costs associated with the proceedings and cease and desist order issued.

Weston Yates

Slidell, Louisiana

Allegation: Constructing a residence in an amount in excess of \$50,000 without possessing a State residential license.

Action: Found not guilty.

Haywood Reed

Clinton, Louisiana

Allegation: Constructing a residence in an amount in excess of \$50,000 without possessing a State residential license.

Action: Found guilty. Fined and assessed all costs associated with the proceedings.

Lynn Romero

Jeanerette, Louisiana

Allegation: Constructing a residence in an amount in excess of \$50,000 without possessing a State residential license.

Action: Found not guilty.

Lee Browning, Richard Sykes

St. Francisville, Louisiana

Allegation: Constructing a residence in an amount in excess of \$50,000 without possessing a State residential license.

Action: Found not guilty.

Randall Sheet

Denham Springs, Louisiana

Allegation: Constructing a residence in an amount in excess of \$50,000 without possessing a State residential license.

Action: Found not guilty.

Randall Shirah, Nancy Shirah

Denham Springs, Louisiana

Allegation: Constructing a residence in an amount in excess of \$50,000 without possessing a State residential license.

Action: Found guilty. Fined, assessed all costs associated with the proceedings and cease and desist order issued.

Harlan Wayne Lee

Walker, Louisiana

Allegation: Constructing a residence in an amount in excess of \$50,000 without possessing a State residential license.

Action: Found guilty. Assessed all costs associated with the proceedings.

Clint Matherne

Madisonville, Louisiana

Allegation: Constructing a residence in an amount in excess of \$50,000 without possessing a State residential license.

Action: Found guilty. Fined and assessed all costs associated with the proceedings.

Swepco, Inc.

Gonzales, Louisiana

Allegation: Constructing a residence in an amount in excess of \$50,000 without possessing a State residential license.

Action: Found guilty. License revoked, fined, and assessed all costs associated with the proceedings.

A. W. Construction/Electric Co.

Baton Rouge, Louisiana

Allegation: Failure to maintain current worker's compensation insurance coverage.

Action: Found guilty. License suspended, fined, and cease and desist order issued.

AB Home Builders

Baton Rouge, Louisiana

Allegation: Failure to maintain current worker's compensation insurance coverage.

Action: Found guilty. License suspended, fined, and cease and desist order issued.

Cypress Construction

Maurice, Louisiana

Allegation: Failure to maintain current general liability insurance coverage.

Action: Found guilty. License suspended, fined, and cease and desist order issued.

Executive Construction, Inc.

Baton Rouge, Louisiana

Allegation: Failure to maintain current worker's compensation insurance coverage.

Action: Found guilty. License suspended, fined, and cease and desist order issued.

Gauthreaux Builders, L. L. C.

Plaquemine, Louisiana

Allegation: Failure to maintain current worker's compensation insurance coverage.

Action: Found guilty. License suspended, fined, and cease and desist order issued.

Halley Homes of Louisiana, Inc.

Covington, Louisiana

Allegation: Failure to maintain current worker's compensation insurance coverage.

Action: Found guilty. License suspended, fined, and cease and desist order issued.

Harrison Builders, L. L. C.

Baton Rouge, Louisiana

Allegation: Failure to maintain current general liability and worker's compensation insurance coverages.

Action: Found guilty. License suspended, fined, and cease and desist order issued.

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Disciplinary Actions of State Licensing Board

George Darren Haynes Construction, L. L. C.

Baton Rouge, Louisiana

Allegation: Failure to maintain current worker's compensation insurance coverage.

Action: Found guilty. License suspended, fined, and cease and desist order issued.

Darrell L. Johnson

Lake Charles, Louisiana

Allegation: Failure to maintain current worker's compensation insurance coverage.

Action: Found guilty. License suspended, fined, and cease and desist order issued.

Palmtree Homes, L. L. C.

Houma, Louisiana

Allegation: Failure to maintain current worker's compensation insurance coverage.

Action: License surrendered.

Morris Parker

Baton Rouge, Louisiana

Allegation: Failure to maintain current worker's compensation insurance coverage.

Action: Proof of insurance provided.

QPS and Drywall, Inc.

Pineville, Louisiana

Allegation: Failure to maintain current worker's compensation insurance coverage.

Action: Found guilty. License suspended, fined, and cease and desist order issued.

Quality Guaranty Builders, Inc.

Baton Rouge, Louisiana

Allegation: Failure to maintain current worker's compensation insurance coverage.

Action: Found guilty. License suspended, fined, and cease and desist order issued.

NASCLA

National Association of State Contractor's Licensing Agencies

PO Box 14941 • Scottsdale, AZ 85267 • FAX (480) 948-4117

IF YOU NEED INFORMATION ON CONTRACTOR'S LICENSING IN OTHER STATES, YOU NEED A COPY OF THE CONTRACTOR'S STATE LICENSING INFORMATION DIRECTORY.

The 2001 edition identifies over 150 state agencies that regulate the construction industry. The directory summarizes the pre-qualification, licensing examination and bonding requirements. Information, regarding reciprocity, license classifications, incorporating and fees, is also included.

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**State Licensing
Board For
Contractors**

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Baton Rouge, LA 70808
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